

History

Lake Texoma is owned by the US government and managed by the Corps of Engineers. When the lake was built, the Corps agreed to pay Grayson county 75% of the revenue it derived from its concessions on the lake including marina revenues, electric generation and boat dock fees. This was in part for Grayson's loss of ad valorem tax revenues on the flooded lands. In 2007 Grayson was paid well over one million dollars by the Corps.

In its management of the lake, the Corps issues a shoreline use permit ("SUP") to people allowing the installation of a private boat dock on the lake. The names and addresses of these SUP holders were and are considered to be Privacy Act records by the Corps and confidential. It states such on the face of the permit.

In January 2007 Grayson Central Appraisal District made an effort to add all the private boat docks to its rolls. The problem GCAD had was that they did not know who owned what docks. So in January 2007, Pam Lammers, a GCAD appraiser sent a FOIA request to the Corps in an effort to obtain the "list" of confidential SUP holders.

Unfortunately, the Corps made a mistake and gave GCAD the confidential list; name, addresses and descriptions of the docks. GCAD knowing the list was confidential nevertheless placed the information on its tax rolls and sent out notices of value in May 2007.

In June 2007, Fred White (a dock owner) met with GCAD's chief appraiser Teresa Parsons and her assistant Trena Waw. Mr. White told Ms. Parsons that the Privacy Act had been violated and that the information was confidential under both federal and state law and could not be used in public records. He also informed Ms. Parsons that he believed it was a criminal offense to handle the information as she had done. Mr. White quoted Ms. Parsons as saying: "What are they going to do, put me in jail?"

Later that month Mr. White met with John Ramsey. Mr. Ramsey serves as the Chairperson of the GCAD board of directors and is the elected Tax assessor Collector of Grayson County. Mr. Ramsey was told of the issues and was asked to intervene.

Instead of intervention, Mr. Ramsey and the board hired a law firm to go after the dock owners; build a cover-up. By this time, ARB hearings were being held about the docks and the valuations of the docks were becoming suspect. So, at this point, the dock cases split into two efforts (1) fighting the privacy issues and (2) fighting the valuation issues.

Valuation Issues

Ms. Lammers, the GCAD appraisal involved, used a mass appraisal model from Marshall and Swift to value the docks. Unfortunately Ms. Lammers did not have all the factors called for in the formula so she basically made up some numbers. She counted the deck area incorrectly and used a 30 year depreciation schedule instead of twenty. Not knowing when the docks were built, she plugged the year built factor with the permit date. This made all the docks less than five

years old. Using the incorrect year built along with the incorrect square footages caused Ms. Lammers' method to increase the appraised value by as much as ten times.

We believe she knew all along that she was not using the formula correctly. However, it was specifically called to her attention in an ARB hearing in September that she was counting open slip space as deck space. Even though she knew it was wrong she continued to testify in ARB hearings as to the validity of her use of the formula.

Ms. Lammers was deposed on April 17, 2008. She testified that she knew her use of formula was incorrect but nevertheless continued to use it in ARB hearings. Since all testimony in an ARB hearing is under oath, Ms. Lammers admitted committing perjury. Soon after her deposition she was fired.

Everyone at GCAD including GCAD's lawyers knew that Ms. Lammers had used the wrong formula. Even so, GCAD refused to make the corrections. Based on this 180 dock owners filed for hearings to correct the value due to incorrect square footage. Even though no requests for ARB hearings on the matter was asked for (a prerequisite), Ms. Parsons had the ARB schedule 180 hearings over a 3 day period. We believe her purpose was simply to harass the dock owners. A lawsuit against GCAD was then filed in state court asking the judge to rule GCAD did not have the right to unilaterally set the hearings.

In addition, Ms. Nancy Harris had an ARB hearing on her dock. The ARB panel went along with everything Ms. Harris had requested including lowering her value from \$16,000 to \$3,000. In the next few days, we heard that Ms. Parsons had the ARB throw out the hearing and have another hearing. The new hearing produced 100% against Ms. Harris where the first one went 100% in her favor.

Based on GCAD's actions up to this point, a criminal complaint was filed with the county attorney against Ms. Lammers.

Privacy Issues

While the valuation and taxability issues were making their ways through the state court system, in April 2008 a lawsuit against the Corps and GCAD was filed in federal court on behalf of 180 dock owners. The lawsuit complained that the Corps had violated the Privacy Act by giving GCAD our records and that GCAD had made them public violating the Texas Public Information Act ("TPIA") and their agreement with the Corps. Based on GCAD's unlawful use of the records, an additional criminal complaint was made to the county attorney based on GCAD's violation of the TPIA.

GCAD's Cover-up

GCAD's new law firm was now working full time attempting to build a cover up so they could use the dock owners' Corps records in their tax rolls while claiming they were keeping the records confidential. Numerous requests to the Texas Attorney General ("AG") were made by the Mott Perdue law firm but none told the actual truth.

Some of GCAD's false claims and statement were made to the county attorney in his investigation into the privacy matter. A more ludicrous one was that GCAD was appraising Lake Texoma. Of course we know that land owned by the government is not taxable. They did receive favorable rulings from the AG but finally gave up in September 2008 and told the AG that their statements had not been correct.